

SECRET

DDP-1454-59
Copy 4 of 4

4 March 1959

MEMORANDUM FOR: [REDACTED]

SUBJECT : Cost Overrun on Contract No. TA-3034

1. Reference is made to Contract No. TA-3034 with Westinghouse for the Terrain Avoidance System.

2. As you know, technical guidance of this contract was transferred to WADC and at that time the contractor was advised that the contractual limit for which this office would be responsible was [REDACTED]

3. Enclosed is a copy of a letter dated 18 February 1959 in which the contractor further acknowledges the cost limitation, but requests that favorable consideration be given to a cost overrun of [REDACTED]

4. Generally speaking, contracts may be amended to cover cost overruns occasioned by overhead and G&A Expense adjustments if funds are available for this purpose (i.e. [REDACTED] funds from Allotment 7-2502-10 for this contract). In this case, however, the undersigned does not concur in the contractor's request in view of the specific limitation and the fact that the contractor by letter dated 24 April 1958 stated that the scope of work would be reduced by curtailing the antenna program to stay within the contract limitation of [REDACTED]

5. In order that further consideration may be given the contractor's request, please advise whether or not there are other circumstances with particular reference to performance which should be considered in arriving at a decision in this matter.

[REDACTED]
Contracting Officer

DDP-DD/P [REDACTED] :arp
Distr.

- Orig. - [REDACTED]
2. - [REDACTED]
3. - TA-3034 Westinghouse T&P Sect.
4. - Chrono

SECRET